**Department of Health and Human Services**
**Health Care Financing Administration**
**Operational Policy Letter #111**
**OPL2000.111**

**NOTE: This OPL has been revised by OPL #113**

**Date:**          **January 6, 2000**

**To:**              **Current Medicare+Choice Organizations (M+CO)**

**Subject:**        **Change in Effective Dates for Medicare+Choice (M+C) Open Enrollment Periods**

**Effective Date:**        **January 1, 2000**

Section 502 of the Balanced Budget Refinement Act (BBRA) amends 1851(f)(2) of the Social Security Act, which sets the effective dates for elections made during the M+C Open Enrollment Periods (OEP). Beginning January 1, 2000, all completed elections (i.e., enrollments and disenrollments) made on or before the 10th day of the month are effective the first day of the first calendar month following the date the election is made, and all elections made after the 10th day of each month are effective the first day of the second calendar month after the election is made. *(NOTE: Effective dates for the November Annual Election Period, the Special Election Periods, and the Initial Coverage Election Period were not changed by the BBRA. Effective dates for these election periods are outlined in section 3 of OPL 99.100).*

HCFA is prepared to set the new effective dates for elections beginning January 1, 2000 to meet the new statutory requirements. We recognize that over the next few months, M+COs will be at various points of   freezing   their information systems from modifications due to Y2K compliance requirements. If this situation applies to your M+CO, you should continue development and contact your Regional Office (RO).

Please keep in mind that an election is   made   when it is received by the M+CO (42 CFR 422.60(d)) and when it is complete (refer to the definition of   Receipt of Election   in OPL 100, section 1.0). Also, as indicated in section 1.0 of OPL 99.100, the term   election   describes either an enrollment or disenrollment action.

> Example 1: If a completed enrollment form is received by the M+CO on May 10, 2000, the effective date is June 1, 2000. If that same completed enrollment form were to be received on May 11, 2000, it would be effective on July 1, 2000.

> Example 2: If a completed written request to disenroll is received by the M+CO on July 8, 2000, the effective date is August 1, 2000. If that same written request were to be received on July 20, 2000, the effective date would be September 1, 2000.

HCFA s system processing cutoff dates are not affected by this statutory change. As has been the case since the implementation of the Balanced Budget Act, the date a completed election is received by an M+CO determines the effective date; the system processing cutoff date does not determine the effective date. However, M+COs are encouraged to submit all transactions as early as possible to ensure timely payment. Time frames requirements for submitting enrollment and disenrollment transactions are outlined in sections 4.4 and 5.4 of OPL 99.100.

> Example 3: If a M+CO receives a completed enrollment form on May 2, then the effective date of the enrollment is June 1. The M+CO has up to 30 days from May 2 to submit the transaction (OPL 99.100, section 4.4). However, as shown below, submission of the transaction prior to the May HCFA systems processing cutoff date (per the GHP system monthly operating schedule for CY 2000) will ensure more timely payment for the June 1 effective date.
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> - If the transaction is submitted *prior to* the May systems cutoff date, payment based on the June 1 enrollment will be received *prospectively* in the June 1 payment.
>
> - If the transaction is submitted *after* the May systems cutoff date, payment based on the June 1 enrollment will be received *retroactively* in the July 1 payment.

As always, it is the M+CO s responsibility to communicate the actual enrollment and disenrollment effective dates to the beneficiary.

We will be modifying 42 CFR 422.68(c) and appropriate sections of OPL 99.100 and the CY 2000 model Evidence of Coverage (EOC) to reflect this statutory change in OEP effective date requirements.

If an M+CO s CY 2000 EOC has already been approved and printing has begun, the organization will need to prepare an addendum that explains the changes outlined in this OPL. The organization must submit the addendum to its RO for approval before dissemination. If an M+CO s CY 2000 EOC had not yet been approved, the organization should correct the EOC to reflect the changes outlined in this OPL prior to final RO approval.

If an M+CO uses disenrollment letters that include an explanation of effective dates that are now inaccurate due to this statutory change, then the organization must work with its RO to gain approval of letters with accurate information. For example, if the M+CO used the effective date terminology in Exhibits 9 and 10 of OPL 99.100, it will need to modify its letters to reflect the changes outlined in this OPL. Exhibits 9 and 10 of OPL 99.100 will be modified to reflect this statutory change in OEP effective date requirements.

**Contact: HCFA Regional Office Managed Care Staff.**

**This OPL was prepared by the Center for Beneficiary Services.**